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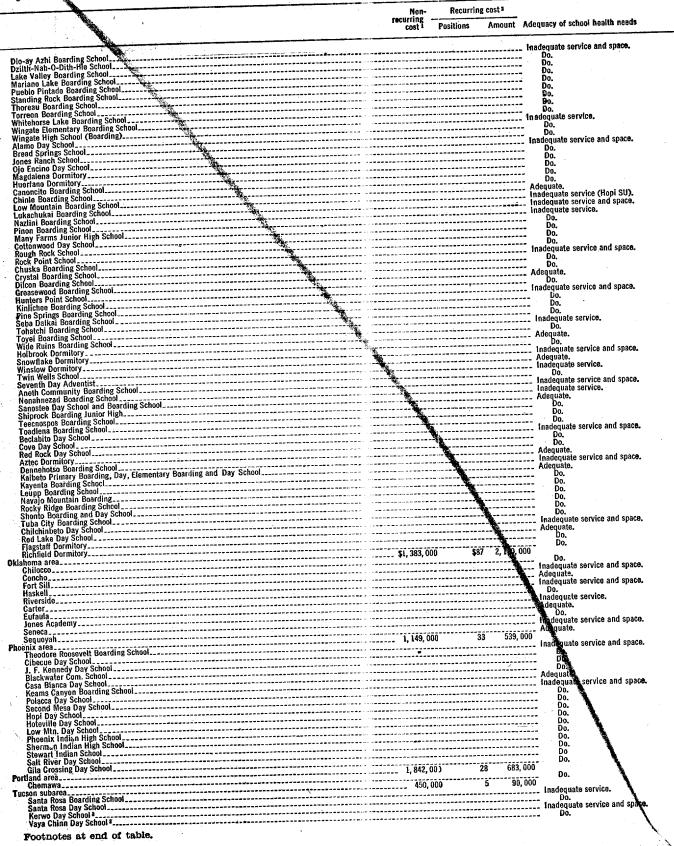
11 July 1974

MEMORANDUM FOR:	: Legislative Counsel	
SUBJECT :	Prohibition of Police Training	
REFERENCES	: (A) OLC 74-1357, dtd 26 June 74, same subject	
	(B)	STAT
Senator James Abouthe Foreign Assistation the Agency should sometimes the view (B) contains the view (B) the senator of the se	t (A) requests our views and comments on the effect of arezk's proposed amendment to S.3394 (which amends nce Act of 1961) on Agency activities, and asks whether seek modification of the proposed amendment. Referent ews of the Deputy Director for Operations (DDO) on the ed amendment on the activities of his Directorate.	STAT
effect of the propose	ed amendment on the dedivities of the activities	
	Office of General Counsel	

cc: DDO

Approved For Release 2005/07/20 : CIA-RDP79-00957A000100040071-8 12175 CONGRESSIONAL RECORD — SENATE

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CONGRESSIONAL RECORD - SENATE

July 11, 1974

MIDIAN HEALTH SERVICE SCHOOL HEALTH NEEDS-Continued

	Non-	Recurring cost ³		
·	cost t	l'ositions	Amount	Adequacy of school health need
sited Southeastern Tribes. Bogue Chitto				Inadequate service.
Chitimacha Pearl River Conenatta				. Do.
Red Water Standing Pine Tucker				Do.
Cherokee High and Elementary				Du. Da. Da.
Miccoskes. ental, all areas. raining, nurse.	810,000		\$40,000	Da.
Includes facilities construction and senovation, equipment and training. Blockdess staffing and anesting costs.	* New boarding school a	ul S: a Simon	to replace A	and Vaya Chian Day Schools.

AMENDMENT OF FOREIGN ASSIST-ANCE AUTHORIZATION ACT--AMENDMENT

AMENDMENT NO. 1889

(Ordered to be printed and referred to the Committee on Foreign Relations.)

AMENDMENT ON INDOCHUNA AID

Mr. KENNEDY. Mr. President, I am submitting today an amendment to S. 3394, the administration's pending foreign assistance authorization bill for fiscal year 1975. The amendment involves the bill's provision on "Indochina postwar reconstruction."

I am offering this amendment because reports from the field, and the administration's foreign aid presentation to Congress, tell us once again that the President has failed to redirect or change, in any meaningful way, the basic character and purpose of our aid policies toward the countries of Indochina.

The amendment is an effort to help remedy some serious shortcomings in the administration's proposal for Indochina. It is the result of extensive inquiry by the Subcommittee on Refugees, which I serve as chairman, and of discussions we have had in many quarters and with many experts in this country and oversees. The amendment continues and strengthens some initiatives taken by Congress last year, and reflects what I firmly believe broadly represents the will of the American people on the issue of future assistance to the countries of Indochina.

PURPOSES OF THE AMENDMENT

The amendment seeks these basic objectives.

First, it affirms the President's authority to furnish assistance for the relief, rehabilitation, and reconstruction of the peoples and countries of Indochina.

Second, it provides that people problems—especially the needs of refugees, civilian casualties, orphans, and others disadvantaged by the war—and the reconstruction of civilian facilitie;—such as housing, hospitals, clinics, and schools—shall be the overriding concern and objective of American assistance to the area.

Third, it provides that, "wherever practicable," American assistance to Indochina shall be distributed "under the

auspices of and by the United Nations, other international organizations or arrangements, multilateral institutions, and private voluntary agencies with a minimum presence and activity of U.S. Government personnel." In this connection, the amendment also "urges the President to solicit the cooperation of other governments" to support and participate in such international efforts.

Fourth, the amendment reaffirms and strengthens last year's congressional ban on American support "of police, or prison construction and administration, within South Vietnam." The amendment states that....

No assistance shall be furnished under this section or any other provision of law, and none of the local currencies accruing under this section or any other provision of law, ahall be used to furnish funds, commodities, equipment, advice, training, or personnel for the support of detention facilities, prisons, police, other internal security forces, or any program of internal intelligence or surveillence in South Vietnam. Cambodia, and Laos.

Fifth, the amendment seeks to establish a firm ceiling, within the Foreign Assistance Act, on funding for Indochina postwar reconstruction. It provides that no funds may be transferred by the President from other parts of the act, including part I for development assistance, for use in Indochina during fiscal year 1975. This is necessary, Mr. President, in light of the administration's record last year of transfering some \$55.524,000 in development and other funds, for use in Indochina, rather than for the purposes these funds were intended.

Thus, while Congress acted in 1974 to reduce the administration's request from some \$630 to \$504 million, we find at the end of the fiscal year that the administration, by robbing other foreign aid accounts, violated the intent of Congress. Moreover, if there had been no supplemental of \$49 million, the administration was even prepared to transfer an additional \$60 million to Indochina from AID's worldwide program loan fund. This is a distressing commentary on the administration's attitude toward the will of Congress and the American people, and underscores the need again for Congress to establish guidelines for the allocation of tax dollars.

Clearly, a ceiling is required on our

authorization for funding in Indochina. And what my amendment recommends on this issue is at least a start. Hopefully, the Foreign Relations Committee will pursue the concept further. Perhaps the committee will consider funding restrictions along the lines of section 655 of the Foreign Assistance Act, which was sponsored in 1971 by the distinguished senior Senator from Missouri (Mr. Symington).

Section 655 sets an absolute ceiling on assistance to Cambodia. Perhaps this section should be extended to all of Indochina, and for all funding sources. The importance of section 655 can be measured by the administration's attempt, in this year's bill, to nullify section 655 as it applies to the granting of excess defense articles to Cambodia. I urge the committee to reject this effort by the administration and instead move to apply the restrictions of section 655 to all of Indochina, so as to control this administration's ability to do and spend as it pleases.

And finally, the amendment reduces by one-half the administration's budget request for assistance to South Vietnam, Laos, and Cambodia. Instead of the \$943,300,000 requested by the President, the amendment authorizes some \$475 million.

This is an ample American contribution for humanitarian purposes—as well as for the general support of Saigon, Vientiane, and Phnom Penh—in their transition from nearly total dependence on American aid, to belt tightening on their part and growing assistance from others in the international community.

Mr. President, we must finally end the master-client relationships between Washington and the capitals of Indochina. We must finally disengage from our direct and often manipulative involvement in the remaining political and military confrontations of the area. We must finally chart some new beginnings in helping to repair the damage of conditct and heal the wounds of war. And we must finally shift our focus from fueling death and destruction to accomplishing the political goals of the cease-fire agreements.

Along with continuing congressional luitiatives—and appropriate diplomacy by this administration—the amendment

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I introduce today contributes to these

THE ADMINISTRATION'S PROPOSAL

Mr. President, a crucial issue for Conand all Americans—is the character, purpose, and massive level of the administration's budget request this year from Indochina. Every indicator—including reports from the field, my correspondence with Secretary of State Henry A. Kissinger earlier this year, and the administration's foreign assistance presentation to Congress—suggests that we are continuing to maximize American presence and influence in the area. Every indicator suggests that the administration is prepared to continue our client relationships with governments and political factions in Indochina—and our direct involvement in the confrontations among political elements throughout the area. And so today—after more than a decade of war, and after ceasefire agreements that afforded the opportunity for change—foreign aid remains a hostage of an unreasonable obsession with Indochina, because the administration needlessly chooses to continue the tired patterns and attitudes of the

Instead of coming clean on where we stand in our assistance to Indochina, the administration persists in misleading Congress and the American people on the true purpose and nature of our involvement in the area. There is much talk, for example, about how we are reducing our involvement in Indochina. But the fact remains that the administration's budget request of some \$943 million for fiscal year 1975 is at least a third more than the same request for

that the administration's proposal this year "is consonant with the objectives for relief and reconstruction, especially humanitarian assistance, in Indochina set forth in section 801 of the Foreign Assistance Act of 1973." But a closer look at the presentation suggests that while the humanitarian assistance allocation to South Vietnam has increased in absolute terms, it has actually decreased as a percentage of the total assistance requested. The situation is the same for Laos—as well as for the total budget request for all Indochina.

Moreover, this year, as last year, new cosmetics and cuphemisms have been found in an apparent effort to meet congressional and public concerns, and to coverup the tired patterns and policies of the past. Nowhere is this more evident than in the administration's presentation on South Vietnam. What was called "supporting assistance" in 1973, was labeled "stabilization" assistance in 1974—and today it is called "support for specific sectors."

A first look at the presentation tells us that the controversial commercial import program has been abolished. But a second look tells us that this program is merely covered by new labels. And in the absence of any meaningful efforts to carry out the political goals of the cease-fire agreement—which is all but ignored in the administration's presentation—the purposes of the massive expenditures

are not, in the main, to carry out "postwar reconstruction" or development, but to buy more time for the Thieu government and to keep Saigon's war-economy afloat.

In this connection. Mr. President, I would like to comment briefly on a claim being made by our Ambassador to Salgon and others in the administration. Again and again we are told by these officials that we must not let up on our support for South Viesnam. If we can spend as the President requests, they say—for 2 or 3 years more—we can finally disengage, because South Vietnam will have "taken-off" and become economically self-sufficient. As others before them, these officials see light at the end of new tunnels—and needlessly perpetuate America's heavy involvement in Indochina.

Given our past experience with such speculation over developments in Vietnam, Congress and the American people have good cause for skepticism. Moreover, we are confronted with an interesting anomaly as we consider the administration's justifications for the different sectors of our assistance to South Vietnam. For example, in past weeks, during the Senate's consideration of various military aid requests, the administration was suggesting that a critical military situation existed in South Vietnam. We were even told of a possible invasion by North Vietnam, and dire predictions were made if Congress failed to meet the President's budget requests. But at the same time the administration was suggesting relative calm in South Vietnam to justify its massive request for postwar reconstruction and "take-off" funds. The presentation to Congress was suggesting that "the fighting in South Vietnam has subsided," and that "the military situation is relatively stable."

But the administration cannot have it both ways—or the one hand portraying South Vietnam as facing a desparate military threat, and on the other hand suggesting conditions are ripe for investment, economic development, "take-off," and self-sufficiency. On this point, as well, World Eark reports deserve consideration. According to their estimates, South Vietnam, even under the best of circumstances will be dependent upon massive levels of outside aid until at least the 1930.

One of the most glaring omissions in the administration's budget request relates to promoting and strengthening international cooperation in helping to heal the wounds of war. As I suggested in this Chamber on June 27, an important theme in discussions over assistance to Indoctina—especially over humanitarian assistance—has been the hope in many quarters that a good share of this effort gould be carried out under some form of international auspices—if not on a regional basis, then at least for some of the special people problems and needs which exist in the separate war-affected areas.

I have shall this hope And, along with other Members of the Senate, I have long advocated that our Government actively encourage and support initiatives for the expanding participation of the

United Nations, its specialized agencies, the International Red Cross, and similar organizations in relief and rehabilitation programs in Indochina. Senators may recall that last year, the Senate adopted my amendments for this purpose to the fiscal year 1974 foreign assistance authorization bill.

The record is clear that a number of governments are prepared to support and contribute to expanding humanitarian programs under the international auspices. This record is clear that the International Red Cross is prepared to upgrade and expand their efforts. The record is clear that the United Nations stands ready to help. The record is clear that UNICEF has new programs underway, that the United Nations High Commissioner for Refugees-UNHCR-is soliciting international support, and that other offices and agencies of the United Nations are also prepared to move on meeting humanitarian needs in Indochina.

But the administration's policy toward internationalizing assistance for Indochina has been ambiguous to say the least. Despite public statements to the contrary-before the Refugee Subcommittee and elsewhere—our Government has done very little to encourage and support humanitarian initiatives by the United Nations and other international bodies. In fact, apart from indicating some token contributions to Internanational Red Cross programs, the administration's presentation on foreign aid totally ignores the creative possibilities in this area of public policy and concern. And even though in recent weeks a more positive attitude seems to be developing within our Government, the administration is attaching unreasonable conditions to our support of international programs—and some high officials in our Government seem determined to scuttle some small programs already in opera-

I submit that such attitudes on the part of our Government undercut the effectiveness of such organizations as UNICEF and UNHCR, and threaten to unravel the international framework needed to meet the massive needs of orphans and children and war victims throughout Indochina.

Mr. President, the time is long overdue to stop the foot-dragging and negativism. The time is long overdue for America to be generous in its concern for war victims—and in its support of international efforts to meet their needs. The amendment I am introducing today would help to accomplish this end. And I appeal to the administration to break with the past, and actively support new directions in our assistance policy toward the countries of Indochina.

FUNDING FOR INDOCHINA

Mr. President, as I suggested earlier, the amendment I am introducing today reduces the President's request for assistance to South Vietnam, Laos, and Cambodia—from some \$943,300,000 to \$475 million—pending our development of a new national assistance policy toward Indochina, and a more stable political and military situation throughout the area. This \$475 million is a generous

amount, I feel, to meet our immediate humanitarian responsibilities—and to provide some basic transition support to the governments involved. If we apply the tests of humanitarian and basic support objectives to our proposed assistance, a great deal can, and must, be cut back or eliminated from the President's request.

The President's pending request for \$943,300,000 is allocated as follows:

South Vietnam	
Laos	55, 200, 000
Cambodia	110,000,000
Regional development	
program	9, 400, 000
Aid support costs	18, 700, 000

My amendment authorization of \$475 million could be allocated along these lines:

South Vietnam	375, 000, 000
Laos	33, 000, 000
Cambodia	47, 000, 000
Regional development	
program	10, 000, 000
Aid support costs	10, 000, 000

Again, in applying the tests of humanitarian and basic support objectives to the administration's allocation to South Vietnam, relief and rehabilitation projects for war victims—and related projects to improve health care and education and agricultural production—should be given full support. But I strongly feel that the number of American personnel should be substantially reduced, that several projects recommended by the administration should be totally eliminated. and that still others should be drastically cut back.

The projects labeled trade union development, highway advisory assistance, Vietnamese engineering and construction company, industrial park, export processing zone, and some others should be eliminated. Such projects lack humanitarian priority and are part of the illusion that Saigon's wartime economy is ready for "take-off."

Drastic cuts should be made in other projects—such as rural credit—and also in the commercial import program, which, despite administration claims, continues. In fact, serious consideration should be given to phasing out the commercial import program in favor of a multilateral stabilization program along the lines currently operative in Laos and Cambodia. This would end, once and for all, America's direct and singular responsibility for supporting Saigon's foreign exchange needs.

In the case of Laos, we should do what we can to support the newly established Provisional Government of National Union—PGNU—which is a coalition between the former Royal Lao Government and the Pathet Lao. Reports suggest that our projected contribution of some \$17,500,000 to the multilateral foreign exchange operations—stabilization—fund will serve this purpose. But several in-

dicators—including the administration's presentation to Congress and a June 10 GAO report prepared for the Subcommittee on Refugees—suggest that much of the remaining part of the administration's request for Laos is slated for one faction of the coalition government and for operations in territory controlled by the former Royal Lao Government forces.

I fully appreciate the difficult problems in bringing normalization and peace to the people of Laos, and the added problems in bringing a unified administration to all areas of the country after many years of civil war. We must surely recognize the need for a time of transition: but we must not loose sight of our obligation to give the new government a chance to work. We must guard against using our rehabilitation and reconstruction assistance to Laos to perpetuate old relationships and the division of that country, which can only deter the hopeful process of accommodation and reconciliation, and threaten renewed conflict in several ATARS.

I am extremely hopeful, therefore, that the administration will make every possible effort to channel basic humanitarian assistance to Laos through international organizations—such as UNICEF, UNHCR, and others-with the clear understanding that the purpose of our aid is to assist in the rehabilitation of war victims and the renewal of cropland and agricultural production in all areas of the country. Longer term development projects recommended by the administration-such as the Vientiane water control and Mekong Vientiane dike projects-should probably be deferred until greater stability is achieved in the new government and the projects can be undertaken with greater international participation.

The situation in Cambodia is dismal at best-with a truly desperate crisis of people and dwindling territory under the control of the Phnom Penh government. Clearly, the overriding need in Cambodia today is a cease-fire agreement and a political resettlement along the lines of recent developments in neighboring Laos-and we should do everything possible to accomplish this end. Meanwhile, our immediate responsibilities are the emergency relief and medical needs of refugees, civilian war casualties, orphans, and others in distress-whose numbers tragically grow with each day of continuing war. We should also continue, along with other governments, our support of Cambodia's exchange supportstabilization-fund. But the administration's request of \$71 million for the commodity import program should be drastically reduced, if not eliminated altogether.

Mr. President, although my amendment does not include any reference regarding military assistance to Laos and Cambodia, which is also contained in S. 3.94, I want to express my deep concern over the administration's rerequest: for these countries. Especially distress ng is the \$86,100,000 allocated for Lacs. The purpose, intent, and level of these requests should be carefully reviewed by the Foreign Relations Committee—and appropriate reductions should be made in the administration's propose 1.

I have outlined briefly what I feel are some of the principal issues facing our country regarding assistance to Indochina. And a great deal more will be said by all of us in the coming weeks and months I believe Congress acted responsibly last year in its effort to limit our funding in Indochina. That wise decision—that our aid must go down, not up—she uld not be reversed now. And in the absence of any new directions and initiatives from our national leadership, it is in sumbent upon Congress that it contribute to develop responsible alternatives.

In conclusion, Mr. President, let me say tha; our future aid to Indochina can no longer be seen or considered in isolation from our other pressing commitments and responsibilities here at home and and abroad. For too long our entire foreign aid program has been held as a hostage to our involvement in Indochina. For too many years we have seen other important foreign assistance programs sacrificed in order to meet the exorbitan; demands of Indochina. We have watched congressionally appropriated funds for poor countries shifted to pay bills in Saigon. And we have seen critically important humanitarian assistance programs in other areas neglected or abandoned, because money was needed to fuel war and conflict in Southeast Asia.

We are told by Secretary Kissinger that our foreign assistance program

A fathful expression of our moral values . . it reflects the humanitarian dimension of the American character.

But i' money for guns and for security assistance are reflections of "moral values," words have then lost their meaning, even as our foreign assistance program has lost its bearings. It is a sad reflection on "the humanitarain dimension of the American character" when—even in the budget request for Indochina—only a very small fraction of the request goes to help the millions of people really in need.

Recent history tells us that instability and "ti reats to the peace" involve more than belances of power or arms races or military confrontations. Famine can be a threat to the peace. Pervasive, spreading poverty—a widening gap between the rich nutions and the poor nations—spawn conflict and instability around the globe. Uncontrolled competition for food and energy resources threaten peaceful

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relations. And disasters, such as the drought in Africa and hunger in Asla, have produced human tragedy as great as a war. Our foreign assistance program can no longer be blind to the real and growing threat to the peace and security of the world: famine, poverty, disease, and dwindling resources.

The time is long overdue to lose our obsession with the war economies of Indochina, and to begin the needed effort to renew our concern for people in the allocation of our tax dollars overseas.

Mr. President, I ask unanimous consent that the full text of my amendment be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1550

On page 4, strike out line 7 through 16, and insert in lieu thereof the following:

BEC. 4. Sections 801 and 802 of the Foreign Assistance Act of 1961 are amended to read as follows:

"SEC. 801. GENERAL AUTHORITY.—(a) The President is authorized to furnish, on such terms and conditions as he may determine, assistance for the relief, rehabilitation, and reconstruction of Indochina, especially humanitarian assistance for refugees, civilian war easualties, war orphans, and other persons disadvantaged by hostilities or conditions relating to those hostilities, and reconstruction assistance for the rebuilding of civilian facilities damaged or destroyed by those hostilities in the war affected areas of Indochine.

"(b) Assistance for such purposes shall be distributed wherever practicable under the auspices of and by the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, and private voluntary agencies with a minimum presence and activity of United States Government personnel. The Congress urges the President to solicit the cooperation of other governments to support and participate in the humanitarian relief, rehabilitation, and reconstruction of the people and countries of Indochina under international auspices.

"(c) No assistance shall be furnished under this part or any other provision of law, and none of the local currencles accruing under this part or any other provision of law, shall be used to furnish funds, commodities, equipment, advice, training, or personnel for the support of detention facilities, prisons, police, or other internal security forces, or any program of internal intelligence or surveillance in South Vietnani, Cambodia, and Laos.

"Sec. 802. AUTHORIZATION,—(a) There are authorized to be appropriated to the President to furnish assistance for relief, rehabilitation, and reconstruction of Indochina as authorized by this part, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed \$504,000,000, and for the fiscal year 1975 not to exceed \$475,000,000 which amounts are authorized to remain available until expended: Provided, That a significant portion of the funds authorized by this part shall be distributed for humanitarian purposes under the auspices of

and by the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, and private voluntary agencies.

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"(b) The provisions of section 610(a) and 614(a) shall not apply with respect to funds made available under this part. No funds shall be made available to any country of Indochina under part I of this Act."

ADDITIONAL COSPONSORS OF AMENDMENTS

AMILEDMENT NO. 1457

At the request of Mr. MATHIAS, the Senator from Indiana (Mr. HARTKE) was added as a componsor of amendment No. 1457, to H.R. 14832, the public debt limit

At the request of Mr. Tunney, the Senator from Michigan (Mr. Harr), the Senator from Minnesota (Mr. Harre), the Senator from Minnesota (Mr. Humphery), the Senator from Massachusetts (Mr. Kenney), and the Senator from Vermont (Mr. Stafford) were added as cosponsors of imendment No. 1449, intended to be proposed by him, to S. 3035 to amend title 23, United States Code, the Federal Highway Act of 1973, and other related provisions of law, to establish a unified transportation assistance program, and for other purposes.

AMOUDMENT NO. 1542

At the request of Mr. Domenici, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of amendment No. 1542, that would exempt small businesses from mandatory compliance of CPA issued interrogatories, intended to be proposed to S. 707, the Consumer Protection Agency Act.

NOTICE THAT THE SECRETARY OF STATE WILL APPEAR BEFORE THE SUBCOMMITTEE ON APPROPRIA-TIONS FOR FOREIGN OPERA-TIONS

Mr. INOUYE. Mr. President, in connection with its fiscal year 4975 hearings the Subcommittee on Appropriations for Foreign Operations has been keenly anticipating the apprarance of the Secretary of State. Onfortunately, it has been necessary to schedule and reschedule the Secretary's appearance a number of time since he was first scheduled to appear on May 23.

This has understandably created some confusion beth in Congress and the executive brace as supporting the congressional judifications of the foreign assistance program.

I ap now in a position to advise, however, that the Secretary will appear before the subcommittee at 10 a.m., Wednesday, July 24, in room 1114 of the Dirksen Senate Office Building.

ANNOUNCEMENT OF A PUBLIC HEARING BEFORE THE WATER AND POWER RESOURCES SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. CHURCH. Mr. President I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Water and Power Resources Subdommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for July 18, beginning at 10 a.m. in foom 3110 of the Dirksen Senate Office Building. Testimony is invited regarding S. 3740, a bill to amend the act of August 16, 1972 authorizing construction, operation, and maintenance of the Fryingpan-Arkansas project, Colorado, to provide for the incorporation of sumped storage hydroelectric facilities.

For further information regarding the hearing, you may wish to contact Mr. Dan Dreyfus of the subcommittee staff on extension 51076. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Water and Power Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

ANNOUNCEMENT OF HEARINGS ON 2801, THE FOOD SUPPLEMENT AMENDMENT OF 1973

Mr. KENNEDY. Mr. President, I wish to announce hearings by the Subcommittee on Health of the Committee on Labor and Public Welfare on S. 2801, a bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes.

The hearings will be held in room 4232 of the Dirksen Senate Office Building on August 14 at 10 a.m. and on August 21 at 10 a.m. Persons wishing to testify should contact Ms. Jessica Silver, subcommittee counsel, at 225-7675 not later than July 26, 1974.

ANNOUNCEMENT OF HEARINGS ON S. 3548

Mr. PELL. Mr. President, it is with great pleasure that I announce a hearing by the Subcommittee on Education of the Senate Committee on Labor and Public Welfare on S. 3548, which would establish the Harry S Truman Memorial Scholarships, which will be held on Thursday, July 18, at 10 a.m. in room 4232, Dirksen Senate Office Building.

This measure, introduced by Senator Symnoton and cosponsored by 62 Senators, has great support throughout the country. Those who wish to testify or submit statements should contact Stephen J. Wexler, counsel to the Education Subcommittee.

ANNOUNCEMENT OF PUBLIC HEAR-INGS BEFORE THE WATER AND POWER RESOURCES SUBCOMMIT-TEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AF-FAIRS

Mr. CHURCH. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of public hearings before the Water and Power Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

One hearing is scheduled for July 18, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding S. 3568, a bill to authorize the Secretary of the Interior to construct, operate, and maintain

the Cibolo project in Texas. A second hearing will be held on July 19, beginning 10 a.m. in room 3110 of the Dirksen Senate Office Building. Testimony is invited regrading two bills which are presently before the subcommittee. The measures are: 8. 3513, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Neuse River project in Texas, and S. 3704, a bill to amend section 1 of Public Law 90-503 (82 Stat. 853) in order to provide for the construction, operation, and maintenance of facilities to deliver a water supply to the city of Frederick Okla., from the Mountain Park reclamation project.

For further information regarding the hearings, you may wish to contact Mr. Daniel A. Dreyfus of the subcommittee staff on extension 51076. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Water and Power Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARING ON MORTGAGE CREDIT

Mr. SPARKMAN. Mr. President, on June 20, 1974, I announced that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs would hold 2 days of hearings, on July 10 and 11, 1974 on S. 3436, a bill introduced by Senator BROOKE to increase the availability of mortgage credit for residential housing, and S. 3456, a bill introduced by Senator Cranston to provide emergency mortgage relief for middle-income families.

Because of a conflict, these hearings have been rescheduled and will now be held on August 6 and 7, 1974, beginning at 10 a.m. each day, in room 5302, Dirksen Senate Office Building.

The subcommittee would welcome statements for inclusion in the record of hearings.

ADDITIONAL STATEMENTS

U.S. ARMS SALES TO MIDDLE EAST COUNTRIES

Mr. KENNEDY. Mr. President, I would like to call the Senate's attention to an article in yesterday's New York Times, regarding the massive increase in U.S. arms sales to Middle East countries during the past year. Total arms sales doubled during 1973-74, and nearly \$7 billion went to the Middle East, not including arms support for Israel and Jordan. Equally striking, the Export-Import Bank has lent Iran \$200 million in low-interest loans to buy arms, although Iran's oil earnings have risen by a staggering amount during the past year.

Many of us here in the Senate are deeply concerned by this trend. To be sure, arms sales help our balance of payments; to be sure, they help pay for the oil we need from the Middle East. But in arming the nations of the Persian Gulf—seemingly without thought or discrimination—we may be buying ourselves more trouble for the future than could possibly be offset by even far higher levels of earnings from the sale of arms.

Unfortunately, the Congress has little or no control over the bulk of these sales. At the same time, the administration does not seem to have a coherent policy toward that important region, that would allow it to decide whether arms sales either help or hinder our long-term interests there. By default, our policy is being made by the Pentagon's Defense Security Assistance Agency—an agency whose very title obscures its function. And our policy there is being made by thousands of arms salesmen-including hundreds of military attaches—without effective control by our Nation's civilian leaders.

We in the Congress must look carefully at these arms sales, and reassert our constitutional function to review the foreign policy of the Nation. Someday we may be called upon to pay the bill that is being run up now by this unguided policy of selling arms in the Persian Gulf; surely we should have some say, now, before it is too late.

Mr. President, I ask unanimous consent that this article, by Leslie Gelb, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. Arms Sales Doubled in 1973-74; Reach \$8.5 Billion

(By Lestie Gelb)

Washington, July 9.—The United States sold some \$8.5-billion in arms for the fiscal year that ended last month, almost double the arms sales for the previous fiscal year

and almost \$2-billion more than all the arms sok; or given away by all nations in 1971, according to official Pentagon estimates.

The buk of American arms sales, some \$7-billion, went to the Middle East and the Persian Culf area. This total does not include the \$1.5-billion in arms provided free of charge to Israel plus several million dollars in arms grants to Jordan and Lebanon.

While the United States remains the world's kading arms supplier, other nations are also relling more.

SOVIET SOLD \$2 BILLION

Pentagon estimates for arms sales in 1973 show the Soviet Union with over \$2-billion, its East Furopean Ailies with over \$500-million and American allies with over \$2-billion. These figures are all expected to be higher for 1974, but official estimates are not yet available

Soviet arms sales—Moscow does not provide free arms—went mainly to nations in the Midt le East such as Egypt, Syria and Iraq.

Arms control experts in the Government estimate that worldwide arms sales in the nineteen seventies thus far have about equaled total arms sales for all of the sixties, even discounting for inflation.

The grai of the American program, according to Government sources, has been to pile up talance-of-payments dollars at least as much as to meet defense and diplomatic requirements.

WITHOUT POLICY REVIEW

The in rease in American arms sales, Pentagon and State Department officials said, has take 1 place without a policy review of the program and with decisions on specific contracts made on an ad hoc basis.

By law, Congress has authority only over arms sales covered by Defense Department sales crecits and credit guarantees, about 15 per cent of the total. Congress has no voice and little knowledge of 85 per cent of the effort it volving Pentagon-sponsored cash sales and commercial sales.

American sales included over \$4-billion for Iran, over \$1-billion for Israel and around \$700-million for Saudi Arabia. Sales to the area included modern aircraft, the F-4, F-5, and F-14, plus helicopters and various types of missiks.

The F.14 is a long-range, high-performance aircraft firing the most modern missiles and is just now coming into use by American forces. The cost of one F-14 to the United States is about \$20-million. Its cost to other nations is somewhat higher.

In addition to the large sales to Iran, Israel at d Saudi Arabia, there were about \$100-mil ion to Kuwait, several million dollars to the United Arab Emirates, Lebanon and Joran as well as Pentagon-sponsored cash sale; and commercial sales.

EXIMBANK LOAN TO IRAN

In a recent report to Congress, the Export-Import Bank reported that the Pentagon had arranged for the bank to provide a direct long-terri low-interest credit to Iran of \$200-million in 1974 "for exports of defense articles and services." Iran has earned billions of axtra American dollars since the rise in oil prices.

Secretary of Defense James R. Schlesinger recently described the sales program in the Middle Fast as an attempt to "strengthen deterrence and promote peaceful negotiations by helping our friends and alies to